

EXECUTIVE SECRETARIAT

Routing Slip

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SUSPENSE		Date			

Remarks:

NSC review
completed.

STAT

Executive Secretary

Date

THE WHITE HOUSE
WASHINGTON

Executive Registry

82-5809

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September 1, 1982

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MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

THE HONORABLE DONALD T. REGAN
The Secretary of the Treasury

THE HONORABLE CASPAR W. WEINBERGER
The Secretary of Defense

THE HONORABLE JOHN R. BLOCK
The Secretary of Agriculture

THE HONORABLE MALCOLM BALDRIGE
The Secretary of Commerce

THE HONORABLE JAMES B. EDWARDS
The Secretary of Energy

THE HONORABLE WILLIAM J. CASEY
The Director of Central Intelligence

THE HONORABLE WILLIAM E. BROCK III
The United States Trade Representatives

SUBJECT: Enforcement of U.S. Sanctions Against the
Soviet Union

On August 26 the Commerce Department, on the President's direction and in response to the shipment to the Soviet Union of compressors covered by our sanctions, issued a temporary denial order barring the firms Dresser France and Creusot-Loire from access to U.S. technology, materials or equipment. Should other companies in the near future ship to the Soviet Union oil and gas equipment which has been denied by U.S. sanctions issued on June 18, the United States will be taking further actions to enforce the President's policy.

There has been considerable press speculation, both in the U.S. and abroad, about the Commerce Department actions and the policy on which they are based. The effect has been to call into question the consistency and steadfastness of U.S. policy. In coming weeks, in discussions with the press and with representatives of foreign governments, the President wishes to reaffirm that it is absolutely imperative that all U.S. officials convey the same message:

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-- U.S. sanctions of December 29, 1981, and their extension on June 18, 1982, and the imposition of enforcement penalties on August 26, are a consistent and measured response to Soviet actions in Poland. U.S. policy is fully consistent with Western policy announced by the January 11 North Atlantic Council communique.

-- The U.S. is prepared to moderate its sanctions against the Soviet Union if significant progress is made in Poland on the three conditions specified by the January 11 communique: lifting martial law, releasing those detained, and resuming the dialogue among the government, Solidarity and the Church.

-- Meanwhile, the U.S. intends to implement the sanctions consistently and fairly and continues to hope that the allies will cooperate to the best of their ability.

-- The U.S. regrets that the sanctions on the Soviet Union will cause some economic hardship to its allies, as they have and will to the U.S. We are willing to consult on proposals by the allies for actions which would advance Western objectives for Poland while minimizing the economic penalty to the West.

-- The President fully understands the allied governments' objections to U.S. policies. He has not found them persuasive enough to change U.S. policies, and is by no means looking for an excuse to withdraw U.S. sanctions or penalties.

I also attach my memorandum of August 2, which outlines in more detail the basis for the President's actions of June 18. I would appreciate it if you would make it clear to all officials in your departments that these points are the basis for U.S. policy as it is to be conveyed to the press and other governments.

FOR THE PRESIDENT:

Bill Clark
William P. Clark

Attachment
Memo of August 2, 1982

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THE WHITE HOUSE

WASHINGTON

August 2, 1982

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
THE SECRETARY OF STATE

ILLEGIB

THE HONORABLE DONALD T. REGAN
THE SECRETARY OF TREASURY

THE HONORABLE CASPAR W. WEINBERGER
THE SECRETARY OF DEFENSE

THE HONORABLE JOHN R. BLOCK
THE SECRETARY OF AGRICULTURE

THE HONORABLE MALCOLM BALDRIGE
THE SECRETARY OF COMMERCE

THE HONORABLE JAMES B. EDWARDS
THE SECRETARY OF ENERGY

THE HONORABLE WILLIAM J. CASEY
DIRECTOR OF CENTRAL INTELLIGENCE

THE HONORABLE WILLIAM E. BROCK III
THE UNITED STATES TRADE REPRESENTATIVE

SUBJECT: Poland and the President's June 18 Decision
on Sanctions Extension

The President is concerned that in our presentation, both public and private, of the reasons underlying his June 18 decision on the extension of sanctions on oil and gas equipment for the Soviet Union, insufficient emphasis is being placed on the relationship of these measures to the situation in Poland. For this reason I wish to reiterate the key guidelines which should form the basis of our discussions with foreign governments and publics on the pipeline issue:

-- U.S. sanctions against Poland and the Soviet Union have been and will continue to be based on the course of events in Poland. The further extension or relaxation of these sanctions depends on the actions of the Polish regime;

-- If the Polish regime takes significant actions on the three stated Western goals for Poland, the United States is ready to respond with correspondingly significant relaxation of its sanctions;

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Review on July 30, 2002

Reason: NSC 1.13 (f)

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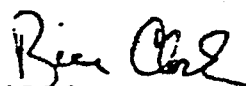
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-- Unified action by the Alliance on sanctions, based on the January 11 NAC principles, coupled with the positive humanitarian actions to help the Polish people directly, are the most effective means to reach our common goals;

-- We are not prepared to relax our sanctions, nor do we believe that any Ally should, in response to essentially cosmetic liberalization by the Polish regime. (S)

In reiterating these guidelines I am aware that there are other relevant and equally forceful points to be made in opposition to the Soviet pipeline project. The President has made it clear that the U.S. Government is opposed to the pipeline, but recognizes that in the final analysis the decision is up to the European governments concerned. (As you know, our opposition in principle to the pipeline project long pre-dated the Polish situation, it is the latter circumstance, however, which precipitated the President's concrete measures against it.) It is essential, however, that our concern for the human rights situation in Poland be understood as the central component of the considerations leading to the December 29 and June 18 sanctions decisions. (S)

FOR THE PRESIDENT:


William P. Clark

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